GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:1509
ANSWERED ON:08.12.2015
Fertilizer/Urea Subsidy
Adsul Shri Anandrao ;Hansdak Shri Vijay Kumar;Patil Shri Shivaji Adhalrao;Raut Shri Vinayak Bhaurao;Reddy Shri Konda Vishweshwar;Shewale Shri Rahul Ramesh;Shinde Dr. Shrikant Eknath;Shrirang Shri Chandu Barne;Vanaroja Smt. R.;Yadav Shri Dharmendra

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the total amount given as subsidy to urea fertilizer manufacturers during each of the last three years;

(b) whether the Government is facing shortage of funds for making payments to domestic urea manufacturers as there were more than Rs. 30,000 crore subsidy arrears from the previous years, if so, the facts thereof;

(c) whether the Ministry has sought more than Rs.25,000 crore from the Finance Ministry for making subsidy payments to domestic urea manufacturers, if so, the details thereof and the steps taken by the Government to provide sufficient funds to ministry of Chemicals and Fertilizers for urea subsidy;

(d) whether the Government has issued revised energy norms under the new urea policy for existing 25 gas based urea plants in the country, and if so, the extent to which the fertilizer subsidy is likely to be saved; and

(e) whether the Government has any plans to reduce urea fertilizer subsidy, if so, the details thereof and the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS

(SHRI HANSRAJ GANGARAM AHIR)

(a): Statement showing unit wise subsidy paid on indigenous urea during the last three years as well as in the current year upto 30.11.2015 is placed at Annexure-I.

(b): Yes, Madam. As on 31.03.2015, the committed carry over liabilities under indigenous urea were Rs.25277.00 crores against which subsidy claims worth of Rs. 16491.34 crores were in hand. Out of Rs.16491.34 crores, claims worth of Rs.14955.97 crores have been disbursed during the current financial year leaving 5% balance claims unpaid due to non-receipt of proforma `B1' and `B2'. Detailed statement is placed at Annexure-2.

(c): Rs. 26190.00 crore has been sought for subsidy on Nitrogenous Fertilizers and Freight Subsidy Scheme from Ministry of Finance in the 2nd Batch of Supplementary Demands for Grants for the year 2015-16.

(d): Yes, Madam. The saving in subsidy due to revision of energy consumption norms and increased production has been summarized as under:-

(Rs. In Crores)

Year	Savings in Subsidy due to Norm revision	Savings in Subsidy due to increase in production	Total Savings
2015-16	271	546	817
2016-17	271	546	817
2017-18	271	546	817
2018-19	1805	573	2378
Total in four years (2015-19)			4829

(e): Apart from New Urea Policy-2015, there is no such proposal in the Department.

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